

Regulations and other acts

Gouvernement du Québec

O.C. 1423-98, 17 November 1998

An Act respecting the Société de financement agricole (R.S.Q., c. S-11.0101)

Financial Assistance Program for Sheep Farms

Financial Assistance Program for Sheep Farms

WHEREAS under section 13 of the Act respecting the Société de financement agricole (R.S.Q., c. S-11.0101), the object of the Corporation is to foster the economic development of the bio-food sector in Québec by making financing more accessible to primary level farming businesses;

WHEREAS under section 14 of the Act, the Corporation shall grant financial assistance within the scope of programs;

WHEREAS under section 34 of the Act, the Government may, by regulation, prescribe any measure necessary to its application and under subparagraph 1 of the first paragraph, it may in particular establish financial assistance programs designed to further the economic development of primary level farming businesses and determine the conditions, criteria and limits of application thereof;

WHEREAS under subparagraph 2 of the first paragraph of section 34, the Government may, by regulation, establish criteria determining the business or classes of businesses that may receive financial assistance, which may vary according, in particular, to the persons who comprise the businesses, their ages, occupations, qualifications or interests in the business;

WHEREAS it is expedient to establish a financial assistance program for sheep farms;

WHEREAS under section 12 of the Regulations Act (R.S.Q., c. R-18.1), a proposed regulation may be made without having been published as provided for in section 8 of that Act if the authority making it is of the opinion that the urgency of the situation requires it;

WHEREAS under section 18 of that Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* where the authority that has made it is of the opinion that the urgency of the situation requires it;

WHEREAS under sections 13 and 18 of that Act, the reason justifying the absence of prior publication and such coming into force shall be published with the regulation;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies the absence of prior publication and such coming into force:

— the measure in question is in response to a petition by the farmers involved;

— the liquidity squeeze experienced by sheep farms;

— a decrease in the sheep livestock will jeopardize the competitiveness of the sector; and

— a certain number of sheep farms may have to abandon production;

WHEREAS it is expedient to establish the Program;

IT IS ORDERED, therefore, upon the recommendation of the Minister of Agriculture, Fisheries and Food:

THAT the Financial Assistance Program for Sheep Farms, attached to this Order in Council, be made.

MICHEL NOËL DE TILLY,
Clerk of the Conseil exécutif

Financial Assistance Program for Sheep Farms

An Act respecting the Société de financement agricole (R.S.Q., c. S-11.0101, s. 34)

DIVISION I PROGRAM OBJECTIVE

1. This Program is designed to enable the Société de financement agricole to financially support sheep farms having sustained major damage as a result of the Scrapie Disease Control Program administered by the Canadian Food Inspection Agency, by means of a special contribution to the payment of interest on loans granted under the Program for farm financing, made by Order in Council 699-95 dated 24 May 1995 and amended by Order in Council 692-98 dated 27 May 1998.

DIVISION II INTERPRETATION

2. For the purposes of this Program,

“borrower” means a sheep farm that obtains a loan;

“lender” means a person authorized to act as a lender under the Program for farm financing;

“loan” means a loan granted under the Program for farm financing; and

“sheep farm” means an entity composed of one or more persons, that is involved in the raising of lambs or sheep.

DIVISION III GENERAL

3. Financial assistance granted under this Program shall be in the form of a special contribution to the payment of interest.

Such financial assistance may be granted by the Corporation to a sheep farm that meets the requirements of this Program and the particular requirements determined by the Corporation in accordance with the powers conferred upon it by subparagraph 1 of the first paragraph of section 16 of the Act respecting the Société de financement agricole (R.S.Q., c. S-11.0101).

4. In order to be admissible, an application for financial assistance shall be submitted to the Corporation no later than 31 March 1999 and shall be accompanied by the information and documents required by the Corporation under section 22 of the Act.

5. In order to be eligible for financial assistance, a sheep farm shall demonstrate that a part of its flock was killed between 1 January 1997 and 27 October 1998 and that, consequently, the loss in revenue is jeopardizing the continuation of its farming activities.

6. For the duration of the special contribution to the payment of interest, a sheep farm shall meet the conditions which rendered it eligible for the loan granted under the Program for farm financing.

DIVISION IV SPECIAL CONTRIBUTION TO THE PAYMENT OF INTEREST

7. The Corporation may, within the scope of the objective described in section 1, grant to a sheep farm a special contribution to the payment of interest on a loan

granted under the Program for farm financing, up to a maximum amount of \$100 000.

8. Such special contribution to the payment of interest shall apply to a loan or part of a loan granted for the following purposes:

(1) the purchase of lambs or sheep; or

(2) a reorganization of the sheep farm’s financial structure.

9. The Corporation shall contribute to the payment of the interest on a loan by paying an amount equal to the total interest payable to the lender on the balance owing but not overdue on the principal of a loan contracted from 2 December 1998.

The special contribution to the payment of interest shall be calculated on the basis of the actual interest rate applicable to a one-year loan granted under the Program for farm financing.

Notwithstanding the foregoing, where the lender is a savings and credit union governed by the Savings and Credit Unions Act (R.S.Q., c. C-4.1) and the term of the loan is 24, 36, 48 or 60 months, the special contribution to the payment of interest shall be calculated on the basis of the interest rate applicable to a one-year closed-term loan secured by a first hypothec on a single-family dwelling held by the federation to which the credit union is affiliated.

For the purposes of this section, “actual interest rate” means the interest rate indicated in the loan contract, including any adjustment made to that rate upon the expiry of the one-year term.

10. The special contribution to the payment of interest described in section 9 shall apply over a maximum period of 3 years from the date of the first disbursement of the loan.

It shall be paid by the Corporation to the lender, as a cheque issued to the order jointly of the lender and the borrower.

11. Where the term chosen is not one year and the hypothecary interest rate for that term is equal to or greater than the hypothecary interest rate applicable to a one-year loan, the contribution to the payment of interest shall be calculated on the basis of the hypothecary interest rate applicable to a one-year loan as defined by the Program for farm financing. The contribution is equal to the contribution provided for in the first paragraph of section 9, without any adjustment for the duration of the chosen term.

12. Where the term chosen is not one year and the hypothecary interest rate for that term is lower than the hypothecary interest rate applicable to a loan with a one-year term, the special contribution to the payment of interest shall be calculated on the basis of the hypothecary interest rate applicable to a one-year loan as defined by the Program for farm financing. The contribution is equal to the contribution provided for in the first paragraph of section 9, less the difference between the hypothecary interest rate applicable to a one-year loan and the hypothecary interest rate chosen, without any adjustment for the duration of the chosen term.

Notwithstanding the first paragraph, where the lender is a person to whom is owed all or part of the sale price of an interest in a farming business, of non-voting shares or of preferred shares, as the case may be, the special contribution to the payment of interest shall be calculated in accordance with the provisions of the second paragraph of section 9. The contribution shall be equal to the contribution provided for in the first paragraph of that section, without adjustment for the duration of the chosen term.

DIVISION V **MISCELLANEOUS**

13. No special contribution to the payment of interest may be calculated on any amount of principal or interest in arrears or on any outstanding loan fees.

14. Any instalment on a special contribution to the payment of interest shall be suspended if arrears in principal, interest or fees have not been paid.

Notwithstanding the foregoing, the Corporation shall pay the instalments thus suspended where the borrower pays the entire amount of the arrears and fees out of those instalments.

15. Any excess special contribution to the payment of interest shall be deducted from any subsequent instalments, unless it is paid back in the meantime.

16. Any instalment on a special contribution to the payment of interest shall be applied to any overdue instalments on the loan for which it is being paid.

17. Where, pursuant to subparagraph 1 of the first paragraph of section 16 of the Act, the Corporation requires, as a condition of a loan, that a sheep farm file its annual financial statements, and where the sheep farm fails to file them within the prescribed time or produces unsatisfactory financial statements, any instalment on a special contribution to the payment of interest payable in respect of that loan shall be suspended until satisfactory financial statements are filed.

DIVISION VI **TRANSITIONAL AND FINAL**

18. A sheep farm which is granted financial assistance under this Program may not obtain, in respect of a loan or part of a loan to which that financial assistance applies, financial assistance provided for under the Program for protection against a rise in interest rates, made by Order 699-95 dated 24 May 1995 and amended by Order 693-98 dated 27 May 1998 or the Program of assistance for establishment, development and training, made by Order in Council 699-95 dated 24 May 1995 and amended by Order 694-98 dated 27 May 1998 for the duration of the period during which the sheep farm receives such assistance, except a capital subsidy.

Following that period, the financial assistance provided for under the Program for protection against a rise in interest rates or the Program of assistance for establishment, development and training shall apply only for the remainder of the period to which it initially applied.

19. This Program comes into force on the date of its publication in the *Gazette officielle du Québec*.

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Gouvernement du Québec

O.C. 1424-98, 19 November 1998

An Act respecting financial assistance
for education expenses
(R.S.Q., c. A-13.3)

Financial assistance for education expenses

Regulation to amend the Regulation respecting financial assistance for education expenses

WHEREAS under section 57 of the Act respecting financial assistance for education expenses (R.S.Q., c. A-13.3), as amended by section 11 of Chapter 79 of the Statutes of 1996 and by section 12 of Chapter 90 of the Statutes of 1997, the Government may make regulations for the purposes of the Act;

WHEREAS by Order in Council 844-90 dated 20 June 1990, the Government made the Regulation respecting financial assistance for education expenses;

WHEREAS it is expedient to further amend the Regulation respecting financial assistance for education expenses;